

PRINCESS ELIZABETH OF AUSTRIA, WHO SHOT AND KILLED ACTRESS IN THE PALACE OF HER HUSBAND.



SECRETARY'S DEFECTS PRINCESS SHOT ENDS ROMANCE

Secretary Shaw in His Annual Report Points Out that There Will Be a Falling Off in Revenues.

ASKS FOR VERY FEW CHANGES IN THE LAWS.

Total Receipts for the Fiscal Year Ending June 30, 1933, Were \$694,621,117, and the Expenditures \$640,323,450.

WASHINGTON, Dec. 8.—The report of Secretary of the Treasury Leslie M. Shaw, sent to Congress to-day, is extremely optimistic so far as present conditions are concerned, but the estimates for the fiscal year 1934 show a reduction of the surplus receipts over expenditures from \$54,297,667 to \$14,000,000, while for 1935 there is an estimated deficit of \$23,000,116. The total receipts for the fiscal year ending June 30 last were \$694,621,117 and the expenditures were \$640,323,450.

Although these figures show an increase in receipts over 1932 of \$10,294,837, the expenditures at the same time increased \$17,234,545. There is a falling off in internal revenue receipts of over \$41,000,000, but this has been more than made up by increased receipts from customs and the sale of lands.

Secretary Shaw calls attention to the increased available cash balance and the increased holdings of gold as the most notable features in the condition of the treasury at the present time. He says also that there is a falling off in the foreign holdings of United States bonds. In 1932 these foreign-held securities of the United States amounted to over \$24,000,000; on June 30 last they had been reduced to \$18,800,000.

New National Banks.

During the year ending Oct. 31, 1933, 53 national banks were organized, with a total capital of \$34,333,000. Of these 318 were organized with an individual capital of less than \$50,000. It is a notable fact, says Secretary Shaw, that the banks organized since the financial legislation of March 14, 1900, constitute nearly one-fourth of the number organized during the entire existence of the national banking system. Of the total money in the country on July 1, 1933, says the report, national bank notes, secured by bonds and lawful money, constituted 1.2 per cent.

Secretary Shaw says that the reports of the national banks to the Comptroller of the Currency show that individual deposits were at a higher point on Sept. 15, 1932, than at any date subsequent thereto, and that the total deposits on that date were \$1,158,333,450. During the same period the loans and discounts increased \$101,313,351, but this increase was largely offset by an increase in capital of \$48,187,241, in surplus of \$60,790,984, and in bank deposits of \$36,141,513.

Specie Holdings of Banks.

The specie holdings of the banks on Sept. 15, 1932, were \$308,236,120. On Feb. 6, 1933, these holdings had increased to \$477,171,16. This increase in the greater amount of specie ever held by the banks during the existence of the national banking system. On Sept. 3, 1933, specie holdings aggregated \$397,556,167. Of these holdings, \$105,569,394 was in gold coin, \$146,547,230 was in gold certificates, and \$145,439,543 was in silver certificates. The balance consisted of silver dollars, fractional silver coin, and silver certificates.

On Sept. 15, 1932, the banks held in cash and on deposit with reserve agents and with the Treasury of the United States in the redemption fund 24 per cent of their deposit liabilities on that date. Reserve is required, and on Sept. 3, 1933, it was 24 per cent.

The mint coined 184,574,933 pieces of one-cent coins during the year, of which \$472,773 was sold coin and the balance silver dollars, sub-silver dollars and cents. During the last three months of the fiscal year the mints at Philadelphia and San Francisco coined and delivered to the government 1,000,000 pieces of one-cent coins. The balance of the mintage has been paid for by the government. The mintage of one-cent coins for the fiscal year ending June 30, 1933, was 184,574,933 pieces. The mintage of one-cent coins for the fiscal year ending June 30, 1932, was 184,574,933 pieces.

New Assay Office for New York.

Secretary Shaw recommends the building of a new Assay Office in New York, as the business of the office has increased to such an extent that the existing building is inadequate. The earnings of the mint service over the expenditures were \$18,800,000.

The country's interest-bearing debt on July 1, 1932, was \$320,070,400. On July 1, 1933, it had increased to \$320,070,400. The interest on the debt for the year ending June 30, 1933, was \$20,000,000.

Secretary Shaw urges an immediate reorganization of the customs districts. There are forty-five districts in the United States. The Government more than a dollar to collect a dollar. At Albany, N. Y., it cost \$1.10 to collect a dollar. At St. Mary's, Ga., it cost \$1.10 to collect a dollar.

In discussing improved methods of handling merchandise at ports, the Secretary says that the system now in use has reduced delays to the minimum and that as a result the complaints of merchants have been reduced. Smuggling has gone on at an annual rate of \$100,000,000. The Secretary says that the Post Office has been reduced. The Post Office has been reduced. The Post Office has been reduced.

Secretary Shaw, but experienced customs inspectors are being employed by the Government to investigate such irregularities and vigorous prosecution has followed each case.

Why Revenue Has Fallen Off. The annual report of the Spanish war veterans claims laws is responsible for the falling off of collections in the Internal Revenue Bureau. The condition about the same as the present time is that the same has been the case.

Although the revenues are a shade above the 1932 level, the Secretary says that the mintage of one-cent coins increased 184,574,933 pieces, and that 48,187,241 pieces of one-cent coins were coined.

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Elizabeth of Austria, Who Killed an Actress Because of Jealousy, Had Renounced Royalty for Recreant Husband.

PUBLIC JUSTIFIES HER FOR TAKING REVENGE.

It is Now Said that Valet Who Strove to Intercept Her Is Also Suffering from a Serious Bullet Wound.

VIENNA, Dec. 8.—The labored official denial of the murder of Louise Ziegler, the actress, by Princess Elizabeth, consort of Prince Otto, in the apartments of the Prince at Windisch-Grätz Palace, Prague, was expected. That the Princess did shoot and kill the actress is now accepted as a fact. The report is that not only did the Princess shoot the companion of her husband, but that she shot the valet who sought to prevent her from entering the apartments of Prince Otto in the palace. The man is said to have been seriously wounded. It is also said now that she shot at her husband.

All Europe rings with this latest chapter in the bloody history of the House of Hapsburg. The people have come to conversant with all the details of the tragedy. Barriers which have hitherto kept secure the secrets of the royal house of Austria have been swept away. The death of Louise Ziegler is the sole topic of conversation in the homes, the cafes, the clubs, the parks and the streets of the Continent.

People Condone Her Act.

No word of condemnation is heard for the little Princess who, goaded beyond human endurance, took vengeance into her own hands. The heart of her country bleeds for her. On the other hand, nothing but exultation is heard for Prince Otto, the profligate spouse of the murdered actress, the man for whom she renounced every claim of place she had by right of birth only to be flouted and made a byword.

There is sympathy for the Princess, and sympathy for her victim. Louise Ziegler was a woman of little intellect. She was a dancer of perfect form and rarely beautiful features.

Her ideas of morality were not robust. It was not natural that she should be flattered by the attentions of Prince Otto, even though his title was a title of courtesy. Doubtless she never gave the Princess a thought. Not only is it of immediate material advantage to the woman of the stage of this part of Europe to have protection among the royalty, but it gives them a prestige that cannot be understood outside of monarchies.

While the actress is being secretly buried, the wounded valet is hovering between life and death. The Prince is wandering about the castle grounds, despoiled by his own servants and afraid to show himself in public; the little valet, his hands red with the blood of another woman, weeps in the deserted apartments. The pitiful feature of it all is that she expects soon to become the mother of a child by the man whose perjury made her a murderess.

Victims of Others' Acts. Of all the ill-fated Hapsburgs, she is truly the most unfortunate. The actress brought upon herself misery and death by her own acts. She, with the intent of immoral atonement, is the victim of the acts of others. It has been the policy of the Hapsburgs to sacrifice every moral obligation to personal pleasure. Princess Elizabeth sacrificed every prospect of royal advancement in order that she might marry a man whom she loved, and she has reaped the harvest of her sacrifice.

When the Princess was little more than a child there came to the palace of her unfortunate father, the Crown Prince Rudolf, and he killed Baroness Marie Vetsera and committed suicide at his hunting lodge—a strapping lieutenant of the Uhlan. This was Otto, a man who had come from the people, but handsome, withal, than the young men of the royal family.

Tall, broad-shouldered, with a handsome face and distinguished air, he appeared to the little Princess the ideal of manhood. She made him her idol.

In time the fact of her attachment to the humble lieutenant of the Uhlan came to the ears of her guardians. Because of the fact that she had loved and the unhappy childhood she had spent there was more than usual sympathy for the little Princess. The Emperor, who was the grandfather of the Princess, gave her the title of Princess of Austria, that she would become the spouse of a member of one of the royal families of Europe. When he learned of her love for Otto he sent her to her room and talked to her.

Gave Up Her Royal Rights. He pointed out that because of her attachment there was open to her perhaps a throne and the coronet of a queen. He made it plain that if she persisted in her attachment for the lieutenant she would have to renounce all her royal rights.

"I care nothing for my royal rights," she replied. "I will live in a cottage as the humblest peasant with my own man I love." The will of this slender young woman could not be broken down and eventually the Emperor gave his consent to the marriage. A little over two years ago the Princess, garbed all in white, knelt the feet of her grandfather and Emperor, and the Emperor gave her the pomp of the court and the title of Princess. The Emperor gave her the title of Princess. The Emperor gave her the title of Princess.

Princess Elizabeth went round the world. The hearts of millions beat in sympathy with her. She was followed by cheering crowds. She was a heroine indeed in those days.

Fortune Fell to Her.

For a dowry the Emperor settled upon her a fortune amounting to \$1,000,000 and an income in addition of \$2,000 a year. The estate in which the tragedy was committed was also settled upon the young couple.

The honeymoon was scarcely over when the natural inclinations of the consort of the Princess began to assert themselves. For the first time in his

life Otto had plenty of money. He became a spendthrift, a frequenter of the race tracks and gambling rooms, an associate of dissolute women. He traveled from place to place and gradually acquired the reputation of a man without a conscience, without moral principle.

Princess Made No Complaint. The Princess, believing that he would soon tire of his passion for a life of dissipation, made no complaint. She sought to win him back. Unhappily she was happy, and in her heart the wild blood of her ancestors was making for a tragedy. Some months ago matters reached such a stage that Otto made no pretense of attachment to his pretty wife and left her alone in the palace most of the time.

Armed, She Sought Rival. In the days of their courtship Otto had given her a revolver. She slipped this into the folds of her gown and made her way along the corridors of the castle to the rooms of her husband. A valet stood guard at the door. The first report was that he fled when the Princess pointed a revolver at him, but it is stated now that he stood his ground and fell with a bullet in his breast.

The Princess forced her way into the room that sheltered her husband and the actress. Louise Ziegler, divining the identity of the white-faced woman who appeared so suddenly, sought to escape. The Princess fired twice and the actress fell mortally wounded. Otto disarmed his wife, and she was carried back to her apartments in a swoon.

Louise Ziegler was smuggled out of the palace to a place known only to a few. There she died, according to the most authentic reports. The official statement of the police says that the actress was suffocated from blood poisoning while dancing in "The Belle of New York."

Bohemian Paper Denies that Princess Did Shoot. The official Prague-Zettling to-day published an emphatic denial of the report that the Princess Elizabeth of Windisch-Grätz, wife of Prince Otto of Windisch-Grätz, and granddaughter of the Emperor of Austria, recently shot and killed an actress who was believed to have been dancing in "The Belle of New York" at this place.

Mr. Perkins Testifies. Then Mr. Perkins began his testimony, being questioned by Mr. Undermyer. Q. Are you a member of the firm of J. P. Morgan & Co? A. I am, and have been since 1907.

Q. What was the first active connection you had of the United States Shipbuilding Company? A. My first connection was when the company was being wound up.

Q. Were you present at any interviews when the stock of the Bethlehem company was sold? A. I don't think so. Q. Had you any connection with the sale of the Bethlehem company? A. I knew about it.

Q. Did you personally negotiate the purchase of the Bethlehem company? A. I did not. I had only just come in the firm and was not in charge.

Q. Did you meet Mr. Perkins in connection with the sale of the Bethlehem company? A. Yes, and also Mr. Nixon and Mr. Dresser.

Q. When was the deal closed? A. On Aug. 12.

Q. How many meetings did you have with the parties to the transaction? A. Three or four. My interviews were with Mr. Perkins, Mr. Nixon and Mr. Dresser. Mr. Perkins was then asked about money advanced to him about the sale of the Bethlehem plant to the Ship-Yards Trust. He said there was some hitch in the arrival of the underwriting money from France and Mr. Dresser asked for a loan from the Morgan firm to be used until it came.

How a Loan Was Made. "I told him," Mr. Perkins testified, "we could not make this loan as our firm had nothing to do with the shipbuilding business. I suggested that some trust companies might make the loan, and suggested that I would deposit \$700,000 in each of these trust companies until the money came. Mr. Perkins then made the deposits in the Knickerbocker and Manhattan Trust Company and Trust Company of the Republic. He made it understood that we were not making these loans. Then Mr. Dresser got a loan from the New York Security and Trust Company.

Q. But you left the money, really, for Mr. Perkins to borrow? A. Yes. Q. You wanted to see this Bethlehem deal go through? A. Yes. Mr. Perkins then said that he was slowly drawn out that J. P. Morgan & Co. had engineered the sale of the Bethlehem Company. He drew from the witness the admission that J. P. Morgan & Co. went around the corner to hide its trail, but nevertheless made it possible for the deal to go through.

Before Mr. Perkins went on the stand Lewis Nixon, who has testified at several hearings, completed his testimony. He did not add much that was new to the astonishing revelations concerning the organization and wrecking of the big trust that he had already made. He said it had been agreed to give Otis Parn, the personal counsel for Charles M. Schwab, \$1,000,000 in stock for his services in promoting the company, and also to pay him a salary of \$10,000 a year, but Mr. Nixon never understood just what these services were. The million-dollar fee, however, was never paid.

Calls for Cablegrams. Just before Mr. Perkins began his testimony Mr. Undermyer asked for the production of cablegrams, one addressed to "Beattie, Paris," signed "Cook," and another addressed "Cook," signed "Beattie." These are the Schwab-Morgan cablegrams. Mr. Gutrie refused to produce the cablegrams on the ground that they were confidential communications. Mr. Undermyer asked that such cables were in existence.

In order to prove the existence of the cables Mr. Undermyer asked Mr. Gutrie to tell whether or not the cables had been produced by him. Mr. Gutrie said that he had not produced them. Mr. Undermyer asked Mr. Gutrie to tell whether or not the cables had been produced by him. Mr. Gutrie said that he had not produced them.

Mr. Undermyer produced copies of the cables, and asked Mr. Gutrie to identify them. He refused to under instructions from Mr. Gutrie. Mr. Undermyer asked Mr. Gutrie to produce the original cables. Mr. Gutrie refused to do so on the ground that they were confidential communications. Mr. Undermyer got the cables on the record in spite of Mr. Gutrie's objections. Mr. Gutrie said that he had not produced the cables but that he had seen them until the court had passed upon them.

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QUEER LOAN BY MORGAN'S FIRM

George W. Perkins, One of the Members, Tells How Its Trail Was Covered in Shipyards Trust Deal.

GAVE MONEY TO BANKERS TO LEND TO THE COMBINE.

Placed \$700,000 in Each of Three Trust Companies to Be Borrowed for Purchase of Bethlehem Plant.

George W. Perkins, member of the firm of J. P. Morgan & Co., took the witness stand this afternoon in the hearing before Special Examiner Otis Parn in the suit of the bondholders to have James Smith, Jr., appointed permanent receiver of the United States Shipbuilding Company. Mr. Perkins had charge of all the transactions of the trust in which the Morgan firm was interested. Mr. Morgan himself being in Europe during the time negotiations were in progress.

The hearing was held in the offices of Guggenheimer, Untermyer & Marshall. Mr. Untermyer representing the bondholders. Lawyer William D. Guthrie represented the company. Max Parn looked after the interests of Charles M. Schwab.

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